SIGNATOR FINANCIAL

NETWORK

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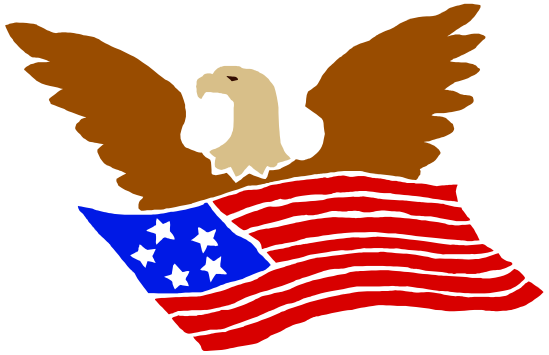
OBJECTIVES

- UPDATE ON CAREER BONUS
- TSP
- ROTH IRA
- TSP/ROTH IRA COMPARISON

- HOW TO MAKE $ IN A VOLATILE MARKET

THRIFT SAVINGS PLAN

- NEXT OPEN ENROLLMENT - NOV 15 to JAN 31
- 7% - 2002
- 8% - 2003
- 9% - 2004
- 10% - 2005
- BEFORE TAX
- IMMEDIATE VESTING
- TRANSFERABLE TO AN IRA, 401K, OR CIVILIAN TSP



TYPES OF PAY INCLUDED

- BASIC
- SPECIAL*
- BONUS*
- INCENTIVE*
- HAZARDOUS DUTY*

TSP FUNDS

- C FUND
- F FUND
- G FUND
- SMALL CAP
- INTERNATIONAL

www.tsp.gov

10 Year Summary of TSP Annual Returns

Year	C Fund %	F Fund %	G Fund %
1992	7.70	7.20	7.23
1993	10.13	9.52	6.14
1994	1.33	-2.96	7.22
1995	37.41	18.31	7.03
1996	22.85	3.66	6.76
1997	33.17	9.60	6.77
1998	28.44	8.70	5.74
1999	20.95	-0.85	5.99
2000	-9.14	11.67	6.42
2001	-11.94	8.61	5.39
10 Year Compound	12.88	7.19	6.74

ROTH IRA

- CONTRIBUTIONS ARE MADE ON **AFTER-TAX** BASIS
- MONIES GROW **TAX-FREE**
- NO REQUIREMENTS TO TAKE MONIES @ 70 ½
- WITHDRAWAL OF $10,000 TO PURCHASE A HOME OR FOR CHILD'S COLLEGE **TAX-FREE**
- PROCEEDS ARE **TAX-FREE** AT RETIREMENT (@ 59 1/2)

ROTH IRA

	CONTRIBUTION LIMITS	ADDITIONAL CONTRIBUTIONS*
2002	$3000.00	$ 500.00
2003	$3000.00	$ 500.00
2004	$3000.00	$ 500.00
2005	$4000.00	$ 500.00
2006	$4000.00	$1000.00

*AGE 50 AND ABOVE

TSP/ROTH IRA COMPARISON

TSP

* Deductible

Proceeds Taxable

Must take monies before 70 ½

Must not take monies prior to 59 ½

ROTH

* Non-Deductible

Proceeds Tax-Free

Can leave monies after 70 ½

Same

Income Limit 150K

TSP/ROTH IRA COMPARISON

TSP

15% Bracket

$2000.00 Contribution

$300.00 Tax Savings

$300.00 per year X 30yrs = $9K

Value @ 10% Yield

$328,988.04

Taxes Due

$92,116.65

ROTH IRA

15% Bracket

$2000.00 Contribution

No Tax Savings

$0.00 per year X 30yrs = $0.00

Same

$328,988.04

Taxes Due

$0.00

TSP/ROTH IRA COMPARISON

TSP	ROTH IRA
28% Bracket	**28% Bracket**
$2000.00 Contribution	$2000.00 Contribution
$560.00 Tax Savings	No Tax Savings
$560.00 per year X 30yrs = $16.8 K	$0.00 per year X 30yrs = $0.00
Value @ 10% Yield	Same
$328,988.00	$328,988.00
Taxes Due	**Taxes Due**
$92,116.65	**$0.00**

WHAT'S MAKING MONEY?

- BONDS
- REAL ESTATE
- REGIONAL BANKS
- SMALL CAP VALUE
- MID CAP VALUE

SUMMARY

- TSP IS ANOTHER WAY TO SAVE FOR RETIREMENT
- NEED TO MAX OUT **ROTH IRA**
- DIVERSIFICATION/FLEXIBILTY